

ORIGINAL



0000164614

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

2015 AUG 24 P 2:45

SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

AUG 24 2015

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

MLB

IN THE MATTER OF THE APPLICATION OF
COMMUNITY WATER COMPANY OF GREEN
VALLEY, AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE CURRENT FAIR
VALUE OF ITS UTILITY PLANT AND
PROPERTY AND FOR INCREASES IN ITS
RATES AND CHARGES FOR UTILITY SERVICE.

DOCKET NO. W-02304A-15-0263

RATE CASE
PROCEDURAL ORDER

BY THE COMMISSION:

On July 15, 2015, Community Water Company of Green Valley ("CWGV" or "Company") filed an Application with the Arizona Corporation Commission ("Commission") for a rate increase.

On August 14, 2015, the Commission's Utilities Division ("Staff") notified CWGV that its application met the sufficiency requirements of Arizona Administrative Code ("A.A.C.") R14-2-103, and classified the Company as a Class B utility.

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter shall commence on **May 12, 2016, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, **Room 222, 400 West Congress, Tucson, Arizona 85701**.

IT IS FURTHER ORDERED that a **Pre-hearing Conference** shall be held on **May 3, 2016, at 10:00 a.m.**, at the Commission's **Tucson Offices, Room 222, 400 West Congress, Tucson, Arizona, 85701** for the purpose of scheduling witnesses and the conduct of the hearing. Parties may appear telephonically, but should contact the Hearing Division at (602) 542-4250 to indicate if they will be calling in.¹

¹ The call-in number to participate telephonically is 1-888-450-5996, Access Code 457395#.

1 IT IS FURTHER ORDERED that any **direct testimony (except that related to rate design**
2 **and cost of service)** and associated exhibits to be presented at hearing on behalf of **Staff** or
3 **Intervenors** shall be reduced to writing and filed on or before **February 2, 2016**.

4 IT IS FURTHER ORDERED that any **direct testimony related rate design and cost of**
5 **service** and associated exhibits to be presented at hearing on behalf of **Staff and Intervenors** shall be
6 reduced to writing and filed on or before **February 16, 2016**.

7 IT IS FURTHER ORDERED that any **rebuttal testimony** and associated exhibits to be
8 presented at hearing by the **Company** shall be reduced to writing and filed on or before **March 15,**
9 **2016**.

10 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be
11 presented by the **Staff and/or intervenors** shall be reduced to writing and filed on or before **April**
12 **12, 2016**.

13 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits to be
14 presented at the hearing **by the Company** shall be reduced to writing and filed on or before **April 26,**
15 **2016**.

16 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
17 been prefiled before May 3, 2016, shall be made on or before the Pre-Hearing Conference.

18 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to
19 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is
20 scheduled to testify.

21 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-
22 105, except that all motions to intervene must be filed **on or before January 15, 2016**.

23 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
24 regulations of the Commission, except that through **February 19, 2016**, any objection to discovery
25 requests shall be made within 7 days² of receipt and responses to discovery requests shall be made
26 within 10 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and
27

28 ² "Days" means calendar days.

1 responses shall be made in 7 days;¹ the response time may be extended by mutual agreement of the
2 parties involved if the request requires an extensive compilation effort.

3 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
4 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
5 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
6 request, a procedural hearing will be convened as soon as practicable; and that the party making such
7 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
8 hearing provide a statement confirming that the other parties were contacted.³

9 IT IS FURTHER ORDERED that any responses to motions shall be filed within five days of
10 the filing date of the motion.

11 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date
12 of the response.

13 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by
14 the Commission within 20 days of the filing date of the motion shall be deemed denied.

15 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in
16 this matter, in the following type size, form and style with the heading in no less than 16 point bold
17 type and the body in no less than 10-point regular type:

18 **PUBLIC NOTICE OF HEARING ON THE**
19 **RATE APPLICATION OF**
20 **COMMUNITY WATER COMPANY OF GREEN VALLEY**
Docket No. W-02304A-15-0263

21 **Summary**

22 On July 15, 2015, Community Water Company of Green Valley ("CWGV" or
23 "Company") filed an application with the Arizona Corporation Commission
24 ("Commission") for an increase in annual revenues of \$708,244, or approximately 20
25 percent over test year revenues. Under the rates as proposed by the Company, an
26 average residential customer with a 5/8 x 3/4 inch meter and using 3,897 gallons a
27 month would see a bill increase of \$4.32 or 22.55 percent, from \$19.14 to \$23.46. A
28 customer with a different size meter or using less or more than the average would
experience a smaller or larger increase.

If you have any questions concerning how the Company's rate proposal will affect

³ The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

your bill or have other substantive questions about this application, you may contact the Company at: [COMPANY SHOULD INSERT NAME, ADDRESS, TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR CUSTOMER CONTACTS CONCERNING THE APPLICATION].

The Commission's Utilities Division Staff is in the process of reviewing and analyzing the application and has not yet made recommendations regarding the Company's request. The Commission will determine the appropriate rate relief to be granted based on the evidence of record in this proceeding. **THE COMMISSION IS NOT BOUND BY THE PROPOSALS MADE BY THE COMPANY, STAFF, OR ANY INTERVENORS AND, THEREFORE, THE FINAL RATES APPROVED IN THIS DOCKET MAY BE LOWER OR HIGHER THAN THE RATES DESCRIBED ABOVE.**

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed tariffs are available at CWGV's offices [INSERT ADDRESS], and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona and its Tucson office, 400 West Congress, Suite 218, Tucson, Arizona, and on the internet via the Commission website (www.azcc.gov/) using the e-Docket function.

Public Hearing Information

The Commission will hold a **hearing** on this matter beginning **May 12, 2016, at 10:00 a.m.**, at the Commission's offices, Room 222, 400 West Congress, Tucson, Arizona, 85701.

Public comments will be taken at the beginning of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. W-02304A-15-0263 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/divisions/utilities/forms/PublicCommentForm.pdf>. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (520) 628-6550.

If you do not intervene in this proceeding, you will not receive further notice of the proceedings in this docket. However, all documents filed in this docket are available online (usually within 24 hours after docketing) at the Commission's website www.azcc.gov using the e-Docket function, located at the bottom of the website homepage. RSS feeds are also available through e-Docket.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **January 15, 2016**, and send a copy of the motion to CWGV or its counsel and to all parties of record. Your motion must contain the following:

1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.

2. A short statement of your interest in the proceeding (e.g., a customer of the Company, etc.).
3. A statement certifying that you have mailed a copy of the motion to intervene to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before January 15, 2016. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Shaylin Bernal, E-mail SABernal@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that the Company shall **mail** to each of its customers a copy of the above notice by **October 31, 2015**; shall cause the above notice to be published at least once in a newspaper of local circulation in its service territory, with **publication** to be completed no later than **October 31, 2015**; and shall make the notice available on its website (if it has one) easily accessible from the homepage.

IT IS FURTHER ORDERED that the Company shall file certifications of mailing and publication as soon as practicable after they have been completed.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

1 IT IS FURTHER ORDERED that all parties must comply with Rule 33 (c) and (d) of the
2 Rules of the Arizona Supreme Court with respect to practice of law and admission pro hac vice.

3 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
4 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
5 Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation
6 to appear at all hearings and procedural conferences, as well as all Open Meetings for which the
7 matter is scheduled for discussion, unless counsel has previously been granted permission to
8 withdraw by the Administrative Law Judge.

9 IT IS FURTHER ORDERED that, as permitted under A.A.C. R14-3-107(B), each party to
10 this matter may opt to receive service of all filings in this docket, including all filings by parties and
11 all Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the
12 Commission's Hearing Division, via email sent to an email address provided by the party rather than
13 via U.S. Mail. To exercise this option, a party shall:

- 14 1. Ensure that the party has a valid and active email address to which the party has
15 regular and reliable access ("designated email address");
- 16 2. Complete a Consent to Email Service form, available on the Commission's website
17 (www.azcc.gov);
- 18 3. File the original and 13 copies of the Consent to Email Service form with the
19 Commission's Docket Control, also providing service to each party to the service list;
- 20 4. Send an email, containing the party's name and the docket number for this matter, to
21 HearingDivisionServicebyEmail@azcc.gov from the designated email address, to
22 allow the Hearing Division to verify the validity of the designated email address;
- 23 5. Understand and agree that service of a document on the party shall be complete upon
24 the sending of an email containing the document to the designated email address,
25 regardless of whether the party receives or reads the email containing the document;
26 and

1 6. Understand and agree that the party will no longer receive service of filings in this
2 matter through First Class U.S. Mail or any other form of hard-copy delivery, unless
3 and until the party withdraws this consent through a filing made in this docket.

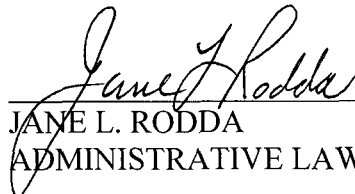
4 IT IS FURTHER ORDERED that a party's consent to email service shall not become
5 effective until a Procedural Order is issued approving the use of email service for the party. The
6 Procedural Order shall be issued only after the party has completed steps 1 through 4 above, and the
7 Hearing Division has verified receipt of an email from the party's designated email address.

8 IT IS FURTHER ORDERED that a party's election to receive service of all filings in this
9 matter via email does not change the requirement that all filings with the Commission's Docket
10 Control must be made in hard copy and must include an original and 13 copies.

11 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
12 pursuant to Rule 6(a) or (3) of the Rules of Civil Procedure.

13 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
14 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

15 DATED this 24th day of August, 2015.

16
17 
18 JANE L. RODDA
 ADMINISTRATIVE LAW JUDGE

19 Copies of the foregoing mailed
20 this 24th day of August, 2015 to:

21 Jason Gellman
22 SNELL & WILMER, LLP
23 One Arizona Center
24 400 E. Van Buren, Suite 1900
25 Phoenix, AZ 85004-2202
26 Attorneys for Community Water Co.
27 of Green Valley

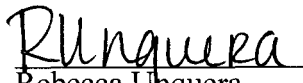
28 Arturo R. Gabaldon
 President
 Community Water Co. of Green Valley
 1502 South La Canada
 Green Valley, AZ 85614-1600

1 Janice Alward, Chief Counsel
2 Legal Division
3 ARIZONA CORPORATION COMMISSION
4 1200 W. Washington Street
5 Phoenix, Arizona 85007

6 Thomas Broderick, Director
7 Utilities Division
8 ARIZONA CORPORATION COMMISSION
9 1200 W. Washington Street
10 Phoenix, Arizona 85007

11 COASH & COASH, INC.
12 Court Reporting, Video & Videoconferencing
13 1802 North 7th Street
14 Phoenix, AZ 85006

15 By:

16 

17 Rebecca Uhquera

18 Assistant to Jane L. Rodda
19
20
21
22
23
24
25
26
27
28